

Introduction to the Health Care Commission & Overview of Health Care in Alaska

February 26, 2015 Lunch & Learn

Presentation Overview



I. Welcome

II. Introduction to the Health Care Commission

- III. Overview of Health Care in Alaska
 - A. How is health care organized and delivered?
 - B. How is health care paid for?



Introduction to the Alaska Health Care Commission

Statutory Authority



- "The purpose of the commission is to provide recommendations for and foster the development of a statewide plan to address the quality, accessibility and availability of health care for all citizens of the state." AS 18.09.010
 - Temporary body 2009; Statute enacted 2010
 - Advisory in nature; Established as an agency in DHSS
 - 14 members; appointed by Governor except for House & Senate
 - Policy recommendations due to Governor and Legislature every January 15

Members (Seats designated in statute)



Voting Members

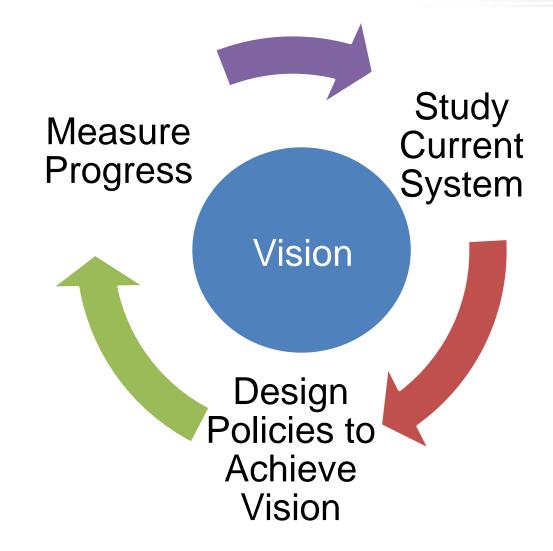
- Jay Butler, MD: DHSS Chief Medical Officer (designated Chair)
- C. Keith Campbell: Health care consumer
- Lincoln Bean: Tribal health community
- Greg Loudon: Health insurance industry
- Emily Ennis: Alaska Mental Health Trust Authority
- Susan Yeager: U.S. Dept. of Veterans' Affairs health care
- Allen Hippler: Statewide chamber of commerce
- Becky Hultberg: Alaska State Hospital & Nursing Home Association
- Lawrence Stinson, MD: Health care provider
- Robert Urata, MD: Primary care physician
- Vacant: Community health centers

• 3 Ex-Officio Members

- Vacant: House of Representatives
- John Coghill: Senate
- Jim Puckett: Office of the Governor

Planning Process





Vision

By 2025 Alaskans will be the healthiest people in the nation and have access to the highest quality most affordable health care.



We will know we attained this vision when, compared to the other 49 states, Alaskans have:

- 1. The highest life expectancy (currently 34th)
- 2. The highest percentage population with access to primary care (29th)
- 3. The lowest per capita health care spending (2nd highest)

Commission Focus



To foster State government policies that promote increased value – enhanced quality and outcomes at affordable cost – in Alaska's acute medical care delivery system.

Studies of Current System

Study	Consultants	Report
Description of health care system structure & financing	AK DHSS Staff	2009
Discussion of current health care system challenges	AK DHSS Staff	2009
Overview of Affordable Care Act	AK DHSS Staff	2010
Impact of Affordable Care Act on Alaska	ISER/MAFA	2010
Economic analysis of health care spending and cost drivers	ISER/MAFA	2011
Actuarial analysis of physician, hospital, and durable medical equipment prices compared to other states and between payers; cost drivers of price differentials (3 reports)	Milliman, Inc.	2011
Actuarial analysis of prescription drug prices compared to other states and between payers	Milliman, Inc.	2012
Impact of malpractice reforms enacted to-date	Expert Witnesses	2012
Government regulation of the health care industry	AK DHSS Staff	2012
Business use case analysis of an All-Payer Claims Database	Freedman Healthcare	2013
Survey of Alaskan Employer Health Benefit Practices	ISER and AK DoL&WD	20149

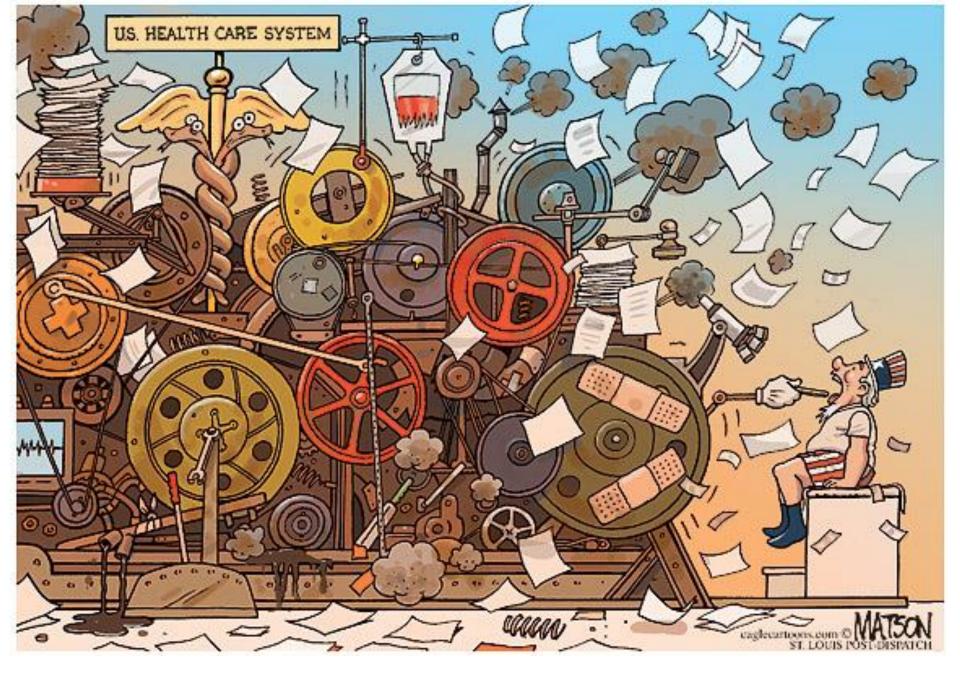
Recommended Core Strategies *with over 75 specific policy recommendations*



- I. Ensure the best available evidence is used for making decisions
- II. Increase price and quality transparency
- III. Pay for value
- IV. Engage employers to improve health plans and employee wellness
- V. Enhance quality and efficiency of care on the front-end
- VI. Increase dignity and quality of care for seriously ill patients
- VII. Focus on prevention
- VIII. Build the foundation of a sustainable health care system



Overview of Health Care in Alaska



How is Health Care Organized & Delivered?



- Health Care is:
 - Doctors' office visits
 - Hospital stays
 - Emergency room visits
 - X-rays
 - Laboratory tests
 - Prescription drugs
 - Preventive care (e.g., wellbaby visits, immunizations)
 - Specialty services (e.g., surgery, cancer treatment)
 - Behavioral health services (e.g., mental health counseling, substance abuse treatment)
 - Dental services

- Health services in Alaska are delivered primarily through three different sectors:
 - Private Sector
 - Tribal Health System
 - Department of Defense& Veterans' Affairs

Private Health Care Sector

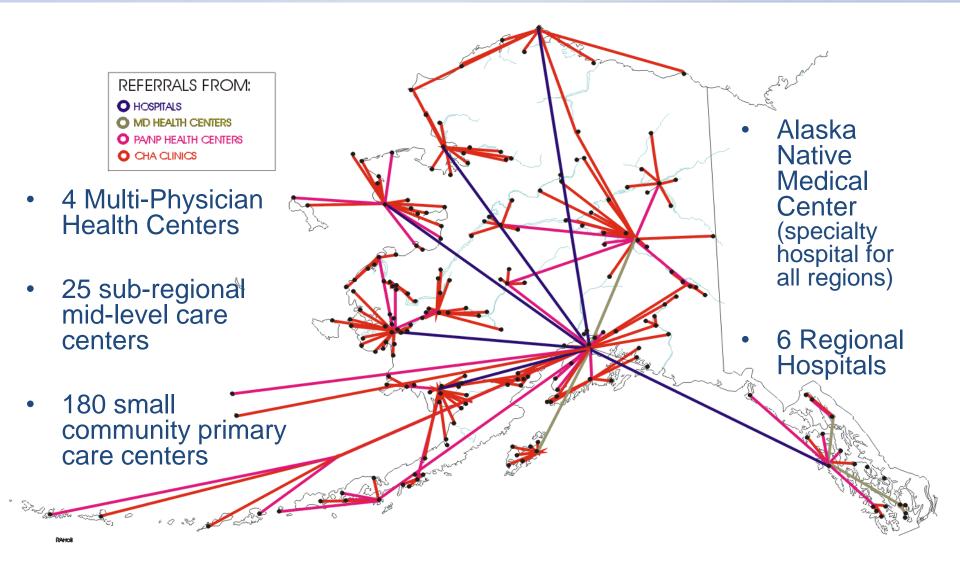


- Community hospitals
 - Some are local government owned (e.g., Juneau)
 - Others are private non-profit or for profit
- Private Medical clinics
- Pharmacies
- Ambulatory surgery centers
- Dialysis centers
- Radiology centers

Alaska Tribal Health System



- A voluntary affiliation of over 30 autonomous Alaskan tribes and tribal health organizations serving specific geographical areas
- Partially funded by the federal government through the Indian Health Service under federal trust responsibility (treaty obligations)
- Also partially funded by health insurance plans, grants and contracts
- Often the only health care provider in rural Alaska provides care for all Alaskans in those communities



Tribal Health System Referral Patterns

Military (DoD) and VA Health Systems



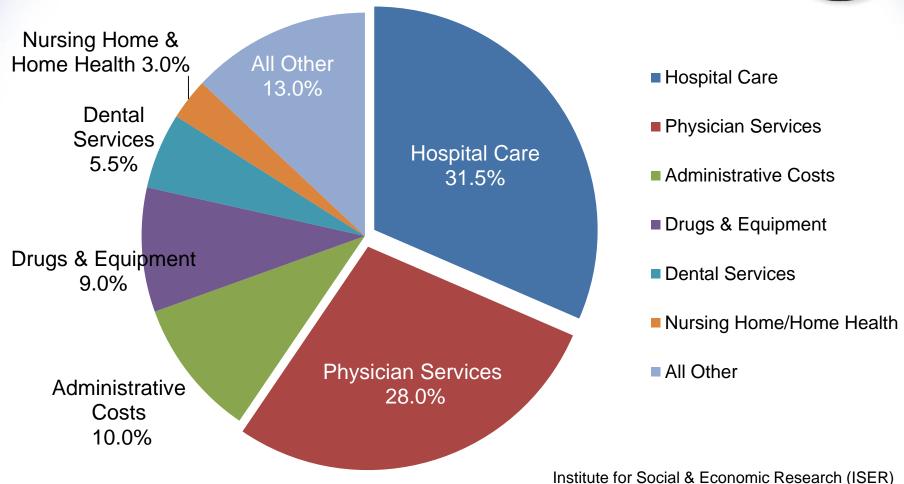
- Alaska VA Healthcare System
 - Alaska VA Healthcare System Anchorage Health Center
 - Joint Base Elmendorf Richardson VA/DoD Joint Venture Hospital
 - Community Outpatient Clinics: Fairbanks, Kenai, Wasilla
 - VA Outreach Clinics: Juneau, Homer
 - VA/DoD sharing agreements: Bassett Army Hospital, Fort Wainwright, US Coast Guard Juneau
 - Alaska Tribal Health Sharing Agreements with 26 organizations

Military

- 673d Medical Group Joint Base Elmendorf Richardson
- 354th Medical Group Eielson Air Force Base
- Bassett Army Community Hospital Ft. Wainwright
- U.S. Coast Guard Clinics: Kodiak, Juneau, Sitka, Ketchikan

What do Alaska's Health Care Dollars Buy?





Institute for Social & Economic Research (ISER) at UAA with Mark A Foster & Associates; 2010

How is Health Care Paid for?



- Health Insurance Coverage
 - Commercial Health Insurance:
 - Group Plans purchased by employers
 - Individual policies
 - Self-paid
 - Federally subsidized on the Health Insurance Marketplace
 - Self-Insured Employer Sponsored Health Insurance
 - Union Health Benefit Trusts
 - Medicaid (joint federal-state program)
 - For certain low-income populations (children and families, pregnant women, elderly, disabled)
 - Medicare (federal program)
 - For people 65 and older; certain younger people with disabilities; people with End-Stage Renal Disease (permanent kidney failure)

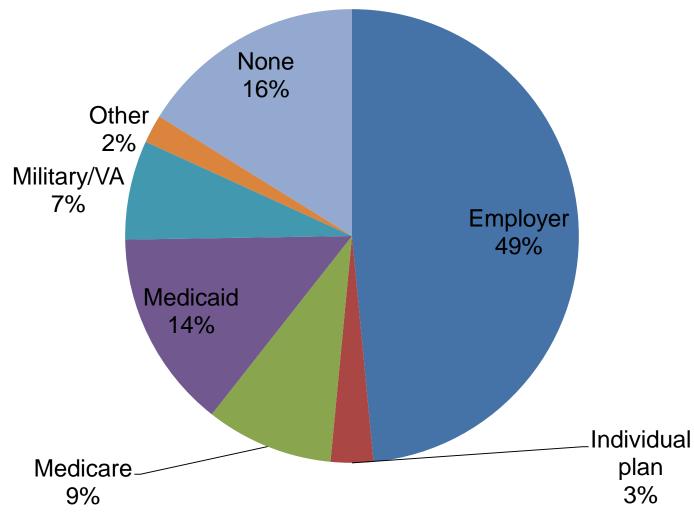
How is Health Care Paid for?



- Health Insurance Coverage (other)
 - Workers' Compensation: medical benefits for employees injured on the job
 - TRICARE: Health plans for military personnel, dependents and retirees
- Other financing:
 - Federal
 - Department of Defense
 - Veterans' Affairs
 - Indian Health Service
 - Private Pay (individuals directly pay for health care services)
 - Grants (federal, state, private)
 - Charity Care

Sources of Health Insurance Coverage by Percent of Alaskans Covered







For more information visit: http://dhss.alaska.gov/ahcc/Pages/default.aspx